Department of Planning and Budget
2004 Fiscal Impact Statement

1. **Bill Number** HB289

   House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

   Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Griffith

3. **Committee** Transportation

4. **Title** Transportation of students.

5. **Summary/Purpose:** This bill requires any local school division transporting public or private students to and from a public or private school, a school-related activity, or childcare facility to ensure that the transport vehicles meet federal school bus safety standards and all applicable federal regulations.

   The bill also states that any vehicle purchased by a school division or entity before July 1, 2004 shall not be subject to the requirements of this bill until July 1, 2009. Vehicles purchased on or after July 1, 2004 will be required to comply with this section with no phase-in period.

   School divisions and other entities may still use common carriers if the carrier is designed to transport at least 30 passengers. This bill also stipulates that parents shall have the option of designating a childcare center or other type of before or after school program as the destination point for the public school student.

   This bill prohibits any school division transporting public or private students from using passenger vans or other vehicles (such as passengers cars), in lieu of traditional school buses. Data collected from the 2002-2003 school year indicates that there are more than 600 vehicles used in school divisions statewide that are not traditional school buses. Under the provisions of this bill, school divisions would no longer be able to use these vehicles after July 1, 2009.

6. **Fiscal Impact:** See Item 8.

7. **Budget amendment necessary:** No.

8. **Fiscal implications:** In order to enforce the provisions of this bill, the Department of Education would need to establish a program to ensure that the student transportation vehicles used within each of the 136 school divisions comply with federal standards. Additional resources would be needed in order to set up the program, maintain a database of information, and perform an inspection of vehicles at the school divisions. Several FTE positions could be needed, with annual salary and benefits averaging approximately $60,000 per position.

Costs would also be incurred at the local level. School divisions would be required to substitute federally-conforming vehicles with those vehicles that currently use to transport students whose situations may be suitable for alternative vehicles. The fiscal impact to school divisions is not known at this time but could affect the revenues and expenditures reported on a school division's Annual School Report (ASR), which is used as the basis for determining prevailing costs for the Standards of Quality. This in turn could increase state funding requirements

This bill also stipulates that parents have to option to designate a childcare center or other type of center as a student's point of origination or destination. Consequently, school divisions could be responsible for transporting students to and from these facilities, even if the childcare or other facility crossed school division lines. The cost to transport these students cannot be quantified at this time, but could increase costs to the state and localities.

9. **Specific agency or political subdivisions affected:** Local school divisions, Department of Education, Board of Education

10. **Technical amendment necessary:** No.

11. **Other comments:** Note: Current Board regulations governing transportation use the term "nonconforming bus", which is defined as "any vehicle designed to carry more than ten passengers that is used to transport children to or from school or school-related activities which does not meet the federal standards, Title 49, CFR Part 571, specific to school buses". This bill uses the term "nonconforming vehicles".

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Document: H:\ bos\k12 legislation\2004 session\completed bills\HB289.doc.

cc: Secretary of Education
      Secretary of Finance